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**Commonwealth of Kentucky**  
Transportation Cabinet

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**Kentucky Automobile Liability Insurance Reporting  
Guide**

**Version 1.6  
8/15/2005**

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	Last Updated: 8/15/2005

## Revision History

Date	Version	Request #	Description	Author
5/4/05	1		This version includes major changes based on the decision to go with a proprietary file format and the use of SFTP.	Melanie Tschanz
5/18/05	2		This version includes changes adopted from the 5/17 meeting	Melanie Tschanz
5/20/05	3		Changes made to include Binder form and other wording changes	Melanie Tschanz
5/23/05	4		Wordsmithing final document	Melanie Tschanz
6/22/05	5		Changed e-mail contact information	Melanie Tschanz
8/15/05	6		The file layout was changed. The detail that was changed involved adding a suboffice code in each segment (per situations as advised by the insurance companies), new address segment (unintentional omission to original guideline), and policy holder id made an optional field. Also clarification was made to commercial cancellations.	Melanie Tschanz

## Sign-Off

Sign-off Level	Date	Name	Note
Level 1			
Level 2			
Level 3			

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# Kentucky Automobile Liability Insurance Reporting Guide

## 1. Introduction

This document outlines the processes for the reporting and management of liability insurance information from insurers to the Transportation Cabinet of the Commonwealth of Kentucky in support of Kentucky's mandatory vehicle insurance statutes. 806 KAR 39:070.

- KRS304.39-087 (enacted as 2004 HB 29) beginning January 1, 2006 requires every insurance company that writes liability insurance on "personal motor vehicles" to send a report of the Vehicle Identification Numbers (VIN) of each vehicle insured as of the last day of the preceding month and the name of each policyholder. Personal motor vehicle is defined in this statute as: (a) a private passenger motor vehicle that is not used as public or livery conveyance for passengers, nor rented to others; and (b) any other four-wheel motor vehicle that weighs six thousand (6000) pounds or less which is not used in the occupation, profession, or business of the insured.
  - This reporting will be referred to as a "book of business" report or "Reporting Liability Insurance Personal Lines".
  - The "book of business" reporting of personal motor vehicle insurance will enable the county clerks to verify insurance coverage at the time of vehicle registration renewal. If the county clerk is unable to verify insurance using this data, the owner will be required to show an insurance card as proof of liability insurance. KRS 186A.042 Vehicle owners may renew registrations over the web if the coverage can be verified electronically.
- KRS 304.39-085 requires every insurance company to send monthly reports to the Department of Vehicle Regulation listing all persons whose policy was terminated either by cancellation or nonrenewal.
  - On and after January 1, 2006 this requirement does not apply to policies covering personal motor vehicles as defined in KRS 304.39-087.
  - This report need not include those persons who failed to make payment for the renewal of a policy with a term of six (6) months or longer.
  - The report shall include a description of each vehicle insured under the terminated policy.
  - This report will be referred to as a "cancellation" or "termination" report or "Reporting Termination of Liability Insurance – Commercial Lines".
  - KRS 304.39-083 requires an agent or company who issued a binder or their contract for temporary insurance to the owner of any motor vehicle to immediately notify the Department of Vehicle Regulation if the owner canceled the binder for motor vehicle security before the agent forwarded the application to the insurance company.

A "personal lines motor vehicle policy" is an insurance policy issued by an insurance carrier authorized to do so in the Commonwealth of Kentucky, which insurer's personal motor vehicles for which the premium is reported on the NAIC Annual Statement lines 19.1 or 19.2 806 KAR 39:070.

Liability insurance for all vehicles insured on a personal lines motor vehicle policy shall be reported using the "book of business" procedures as set forth below in Section 2.1 Reporting Liability Insurance,

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Personal Line Policies – Full Book of Business.

The procedures set forth below in Section 2.2 Reporting Liability Insurance, Reporting Terminations - Commercial Line Policies shall be used to report cancellation or termination of coverage for all vehicles insured on a commercial lines motor vehicle policy for which the premium is reported on the NAIC Annual Statement lines 19.3 or 19.

Any person who willfully violates any insurance code provision or regulation shall be subject to suspension or revocation of certificate of authority or license, or administrative fine or both. KRS 304.2-140 and KRS 304.99-010.

The text of all Kentucky statutes and regulations is available at [www.lrc.state.ky.us](http://www.lrc.state.ky.us) .

## 2. Reporting Liability Insurance

New Kentucky law specifies that as of January 1, 2006, insurance companies submit their personal line policy full “book of business” monthly. The current law requiring insurance companies to submit terminations, defined as cancellations and non-renewals, remains in effect for commercial line policies.

### 2.1. Personal Line Policies – Full Book of Business

Procedures for submitting Personal Line Policy – full Book of Business are:

2.1.1. All insurance companies providing security coverage for personal motor vehicles insured on a personal lines motor vehicle policy will submit full book of business as of the last day of the calendar month to the Transportation Cabinet, Division of Motor Vehicle Licensing between the 1<sup>st</sup> and 15<sup>th</sup> of the next month.

- This is not exception or update reporting.
- Terminations on personal lines will not be required since full book of business implies coverage and non-inclusion implies non-coverage.
- This includes motorcycles and recreational vehicles required to be registered in Kentucky. Vehicles weighing more than 6000 lbs. insured on a personal lines policy should also be included.
- Commercial Line Policies are not required, but may be included on the full book of business submission.

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2.1.2. See Appendix A, Data Element Specifications, for file layout details.

2.1.3. Insurance companies will use a secure file protocol as specified by the Kentucky Transportation Cabinet to submit the data.

2.1.4. An error reporting file will be placed in a location to be retrieved by the insurance company.

- Examples of some errors that will be sent back include: invalid VIN submitted, invalid expiration date, and invalid effective date.
- If a file is unreadable due to errors there will be a requirement to resubmit the data by the 15<sup>th</sup> deadline. Evidence of inadequate data submissions will be reported to the Office of Insurance.
- All other errors shall be corrected and sent with the following month's data.

2.1.5. An acknowledgement e-mail will be sent with statistical information from the data received.

2.1.6. Any company that previously submitted data and then becomes inactive with no policies in force, shall provide notice to the Transportation Cabinet.

## 2.2. Reporting Terminations - Commercial Line Policies

Procedures for submitting Commercial Line Policy, Cancellations are:

- A commercial lines motor vehicle policy is an insurance policy for which the premium is reported on the NAIC Annual Statement lines 19.3 (Commercial Auto No Fault) or 19.4 (Other Commercial Auto Liability).
- All insurance companies providing liability insurance for motor vehicles insured on a commercial lines motor vehicle policy shall report policy terminations within one (1) week of the end of their accounting month.
- The terminations for commercial policies shall be sent in the same file layout as defined in Appendix A. **THE MANDATORY FIELDS FOR UNSCHEDULED FLEETS DEAL WITH THE POLICY HOLDER INFORMATION ONLY.** Individual vehicle fields are not mandatory on unscheduled fleet commercial policy terminations.

## 3. Enrollment for Electronic Reporting

The law requires all insurance data to be available in production by January 1, 2006. To accomplish this, insurance companies are being encouraged to start the process as soon as possible so issues can be worked out with connectivity, authentication, data integrity, etc.

It is important to give each company the opportunity of individual testing. The earlier each company can begin testing, the better. The more thorough the testing process the smoother the actual submissions will be.

To begin:

- Send an e-mail to [KYTC.LiabilityInsuranceBusinessContacts@ky.gov](mailto:KYTC.LiabilityInsuranceBusinessContacts@ky.gov) acknowledging you are ready to start the process. Please provide contact information including phone number.
- You will be contacted by the Transportation Cabinet to work through technical issues of connectivity.

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- You will be asked to send a test data file (field F01-SUBMISSION-TEST-PROD-IND will be a "T".)
- The integrity of the data will be checked and the Transportation Cabinet will work with you to resolve the technical issues.
- An acknowledgement e-mail will be sent back to you to test the process. Also an error file will be placed for your retrieval testing.
- Once the technical issues are worked out you will be encouraged to start submitting monthly.
- You are encouraged to send the data early in the 1<sup>st</sup> and the 15<sup>th</sup> reporting window each month to allow for resubmissions if catastrophic errors are encountered.

#### 4. Reporting of Binder Cancellation and Policy Not Taken

KRS 304.39-083 requires an agent or company who issued a binder or other contract for temporary insurance to the owner of any motor vehicle to immediately notify the Department of Vehicle Regulation if the owner canceled the binder for motor vehicle security before the agent forwarded the application to the insurance company.

The notification may be verbal or written communication. However, if verbal notification is given, written notice must follow within five (5) days.

The Motor Vehicle Insurance Agent Insurance Binder Cancellation form can be found in Appendix B.

The form shall be completed and submitted to the Transportation Cabinet, Division of Motor Vehicle Licensing either by mail or fax.

MAIL:           Transportation Cabinet, Division of Motor Vehicle Regulation  
                  PO Box 2014  
                  Frankfort, Ky 40622

FAX:           (502)-564-9314

#### 5. Contact information

- **General questions** should be directed by mail, e-mail or phone.

MAIL:           Transportation Cabinet, Division of Motor Vehicle Regulation  
                  PO Box 2014  
                  Frankfort, KY 40622

E-mail:         KYTC.LiabilityInsuranceBusinessContacts@ky.gov

Phone:         (502) 564-5301

- **Technical questions** should be directed by mail, e-mail, or phone.

MAIL:           Transportation Cabinet, Division of Technology

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200 Mero St.  
Frankfort, KY 40622

E-mail: KYTC.LiabilityInsuranceTechContacts@ky.gov

Phone: (502) 564-8900

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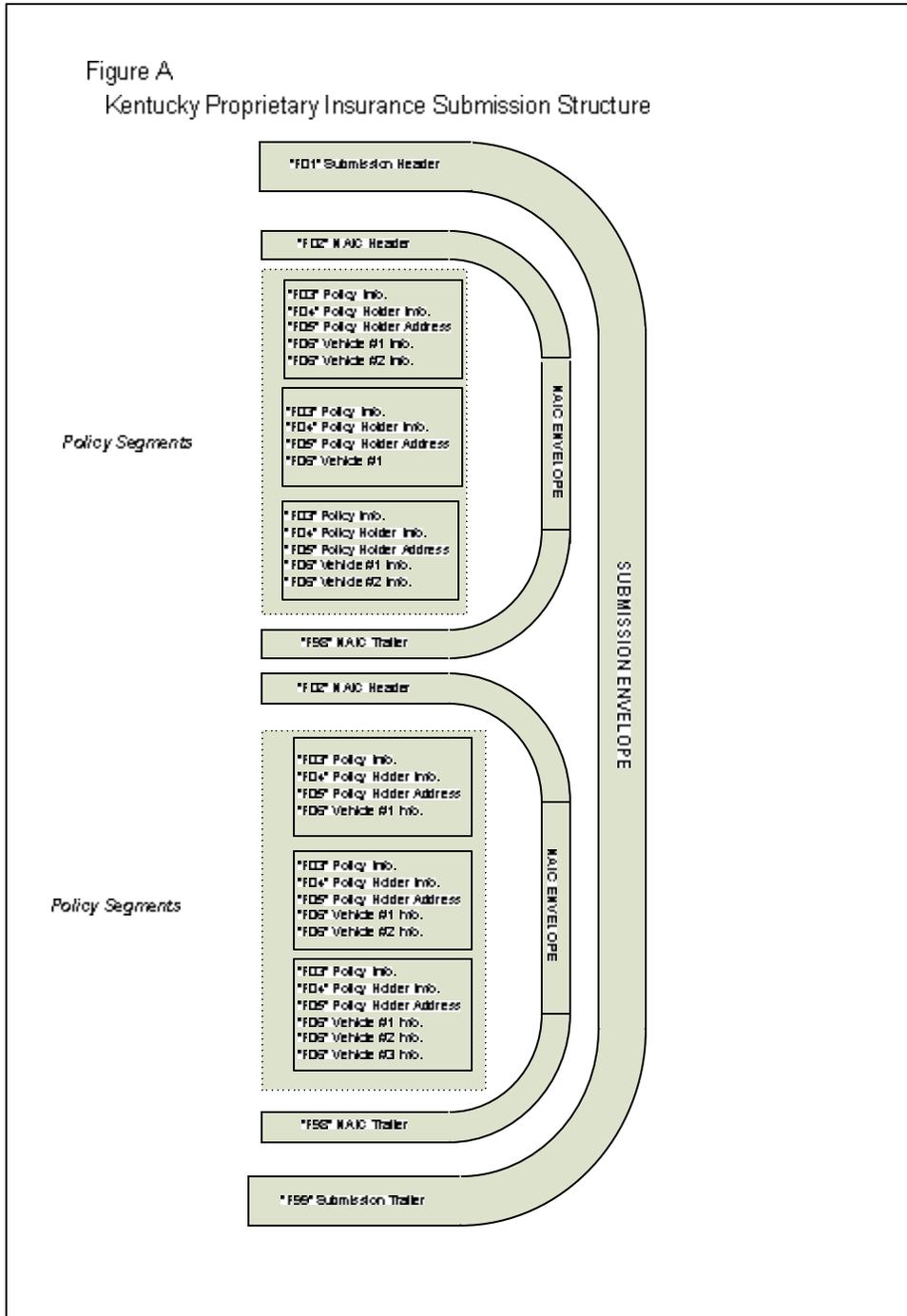
## Appendix A: Data Element Specifications

The file to be submitted by insurance companies consists of eight fixed length record types described as follows:

- F01 and F99, are a “Submission Header” and a “Submission Trailer” set to be placed at the beginning and end of the file. These record types can be considered an envelope for the remainder of the file and will identify the sender, date and time sent, and record type counts to assist in verifying a complete file reception was achieved. Also, a “Book-of-Business” /”Cancellation” Indicator to distinguish between the two and a “Production” /Test” Indicator to distinguish the processing mode are included. The Service Provider’s identifier will be determined by the Transportation Cabinet and provided to the service provider will appear in the Submitter ID field.
- F02 and F98, one or more sets of “Company Header” and “Company Trailer” record types, depending on the number of companies represented on the file; one set for each company. These record types can be considered an envelope for each company in the file and will identify the company, date and time the data for that company was compiled, they may or may not be the same as date and time in the “Submission Header”, and record type counts for the company to assist in verifying a complete file reception was achieved. Of course, if the sender is an insurance company, as opposed to a service provider, most of the data on the Company Header and Trailer will be the same as the data on the Submission Header and Trailer.
- F03, is the Policy Record that identifies the Policy (Policy Number), its Effective (Start) date and Expiration (End) Date, and whether the policy is a Personal Line or Commercial Line. A record is required for each active policy on the company’s books.
- F04, is the Primary Insured Record that identifies the Policy Holder. A record is required for each active policy on the company’s books.
- F05, is the Primary Insured Address Record that identifies the address of the Policy Holder. A record is required for each active policy on the company’s books.
- F06 is the Vehicle Record that identifies each vehicle covered by the policy. A record is required for each vehicle covered by the policy.

Figure A depicts the insurance company submission file structure. The illustrations following the file structure define the record layout requirements.

Figure A  
Kentucky Proprietary Insurance Submission Structure



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Commonwealth of Kentucky Proprietary Data Element Specifications				
<b>Segment F01 –Submission Header Record</b>				
<i>Ex:</i> F012005-12-03-11.05.09.2387640000600FKENTUCKY INSURANCE CLEARING HOUSE COMPANY<19 spaces>T<122 spaces>				
Seq No.	Name	Req	Length	Value
F01.01	F01-SUBMISSION-RECORD-TYPE	M	3	'F01'
F01.02	F01-SUBMISSION-START-TIMESTAMP	M	26	
F01.03	F01-SUBMISSION-START-DATE	M	11	Format: 'CCYY-MM-DD-'
F01.04	F01-SUBMISSION-START-TIME	M	15	Format: 'HH.MM.SS.hhhhhh' H-hours M-minutes S-seconds h-fraction of a second
F01.05	F01-PROVIDER-CODE	M	5	NAIC code or Kentucky assigned Service Provider code: PNNNN
F01.06	F01-PROVIDER-SUBOFFICE	M	2	00 – 99; '00' for one office
F01.07	F01-FULL-BOOK-CANCELLATION-IND	M	1	'F': Full Book of Business 'C': Cancellations
F01.08	F01-SUBMISSION-COMPANY-NAME	M	60	
F01.09	F01-SUBMISSION-TEST-PROD-IND	M	1	'T': Test 'P': Production
F01.10	F01-SUBMISSION-HEADER-FILLER	M	122	Value of spaces
<b>Segment F02 – NAIC Header Record</b>				
<i>Ex:</i> F022005-12-15-11-05.59.2592640003301<184 spaces>				
Seq No.	Name	Req	Length	Value
F02.01	F02-SUBMISSION-RECORD-TYPE	M	3	'F02'
F02.02	F02-NAIC-START-TIMESTAMP	M	26	
F02.03	F02-NAIC-START-DATE	M	11	Format: 'CCYY-MM-DD-'
F02.04	F02-NAIC-START-TIME	M	15	Format: 'HH.MM.SS.hhhhhh' H-hours M-minutes S-seconds h-fraction of a second
F02.05	F02-NAIC-CODE	M	5	NAIC Code
F02.06	F02-NAIC-SUBOFFICE	M	2	00 – 99; '00' for one office
F02.07	F02-NAIC-HDR-FILLER	M	184	Value of spaces



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<b>Segment F05 – Primary Insured Address Record</b>				
<i>Ex:</i> F0500033ABCDEF GHIJKLMNOPQRSTUVWXYZ123406/05/200512/03/2005<10 spaces>1002 KINGSTON HWY<33 spaces>APT. 3409<41 spaces>BELLVUE<23 spaces>KY405938271<6 spaces><13 spaces>				
Seq No.	Name	Req	Length	Value
F05.01	F05-SUBMISSION-RECORD-TYPE	M	3	'F05'
F05.02	F05-POLICY -KEY	M	67	
F05.03	F05-NAIC- CODE	M	5	NAIC Code
F05.04	F05-NAIC-SUBOFFICE	M	2	00 – 99; '00' for one office
F05.05	F05-POLICY -NUMBER	M	30	
F05.06	F05-POLICY -EFF-DATE	M	10	Format: 'MM/DD/CCYY'
F05.07	F05-POLICY -EXP-DATE	M	10	Format: 'MM/DD/CCYY'
F05.08	F05-POLICY -KEY -FILLER	M	10	Value of spaces
F05.09	F05-INSURED-ADDR-DATA	M	137	
F05.10	F05-INSURED-ADDR-LINE1	M	45	
F05.11	F05-INSURED-ADDR-LINE2	O	45	
F05.12	F05-INSURED-CITY	M	30	
F05.13	F05-INSURED-STATE	M	2	
F05.14	F05-ZIP- CODE	M	15	
F05.15	F05-ZIP-AREA	M	5	
F05.16	F05-ZIP-RESIDENT	O	10	
F05.17	F05-INSURED-ADDR-FILLER	M	13	Value of spaces
<b>Segment F06 – Insured Vehicle Record</b>				
<i>Ex:</i> F0600033ABCDEF GHIJKLMNOPQRSTUVWXYZ123406/05/200512/03/2005<10 spaces>0123456789ABCDEFGHIJ KLMNOPQ RSTUVWXYZ150<8 spaces>2004<115 spaces>				
Seq No.	Name	Req	Length	Value
F06.01	F06-SUBMISSION-RECORD-TYPE	M	3	'F06'
F06.02	F06-POLICY -KEY	M	67	
F06.03	F06-NAIC- CODE	M	5	NAIC Code
F06.04	F06-NAIC-SUBOFFICE	M	2	00 – 99; '00' for one office
F06.05	F06-POLICY -NUMBER	M	30	
F06.06	F06-POLICY -EFF-DATE	M	10	Format: 'MM/DD/CCYY'
F06.07	F06-POLICY -EXP-DATE	M	10	Format: 'MM/DD/CCYY'
F06.08	F06-POLICY -KEY -FILLER	M	10	Value of spaces
F06.09	F06-INSURED-VEHICLES- DATA	M	37	
F06.10	F06-VIN	M	17	
F06.11	F06-VEH-MAKE	M	4	
F06.12	F06-VEH-MODEL	M	12	
F06.13	F06-VEH-MODEL -YEAR	M	4	Format: 'CCYY'
F06.14	F06-INSURED-VEHICLE-FILLER	M	113	Value of spaces

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<b>Segment F98 – NAIC Trailer Record</b>				
<i>Ex:</i> F982005-12-15-				
11.06.10.24746400033000010000000090000002500000650000050000001500000081				
98<30 spaces><101 spaces>				
Seq No.	Name	Req	Length	Value
F98.01	F98-SUBMISSION-RECORD-TYPE	M	3	'F98'
F98.02	F98-NAIC-END-TIMESTAMP	M	26	
F98.03	F98-NAIC-END-DATE	M	11	Format: 'CCYY-MM-DD-'
F98.04	F98-NAIC-END-TIME	M	15	Format: 'HH.MM.SS.hhhhhh' H-hours M-minutes S-seconds h-fraction of a second
F98.05	F98-NAIC-CODE	M	5	
F98.06	F98-NAIC-SUBOFFICE	M	2	00 – 99; '00' for one office
F98.07	F98-NAIC-TOTALS	M	83	
F98.08	F98-NUM-RECORDS	M	9	Numeric
F98.09	F98-NUM-POLICIES	M	7	Numeric
F98.10	F98-NUM-PERSONAL-POLICIES	M	7	Numeric
F98.11	F98-NUM-COMMERCIAL-POLICIES	M	7	Numeric
F98.12	F98-NUM-COMMERCIAL-FLEETS	M	7	Numeric
F98.13	F98-NUM-SCHEDULED-FLEETS	M	7	Numeric
F98.14	F98-NUM-VEHICLES	M	9	Numeric
F98.15	F98-NAIC-TOTALS-FILLER	M	30	Value of spaces
F98.16	F98-NAIC-TRAILER-FILLER	M	101	Value of spaces
<b>Segment F99 –Submission Trailer Record</b>				
<i>Ex:</i> F992005-12-15-11-				
06.50.341464000067000000500176010013012000458900020030002586000031786<3				
0 spaces><97 spaces>				
Seq No.	Name	Req	Length	Value
F99.01	F99-SUBMISSION-RECORD-TYPE	M	3	'F99'
F99.02	F99-SUBMISSION-END-TIMESTAMP	M	26	
F99.03	F99-SUBMISSION-END-DATE	M	11	Format: 'CCYY-MM-DD-'
F99.04	F99-SUBMISSION-END-TIME	M	15	Format: 'HH.MM.SS.hhhhhh' H-hours M-minutes S-seconds h-fraction of a second
F99.05	F99-PROVIDER-CODE	M	5	NAIC code or Kentucky assigned Service Provider code: PNNNN
F99.06	F99-PROVIDER-SUBOFFICE	M	2	00 – 99; '00' for one office
F99.07	F99-SUBMISSION-TOTALS	M	87	
F99.08	F99-NUM-RECORDS	M	9	Numeric
F99.09	F99-NUM-NAICS	M	4	Numeric
F99.10	F99-NUM-POLICIES	M	7	Numeric
F99.11	F99-NUM-PERSONAL-POLICIES	M	7	Numeric
F99.12	F99-NUM-COMMERCIAL-POLICIES	M	7	Numeric
F99.13	F99-NUM-COMMERCIAL-FLEETS	M	7	Numeric
F99.14	F99-NUM-SCHEDULED-FLEETS	M	7	Numeric
F99.15	F99-NUM-VEHICLES	M	9	Numeric
F99.16	F99-SUBMISSION-TOTALS-FILLER	M	30	Value of spaces
F99.17	F99-SUBMISSION-TRAILER-FILLER	M	97	Value of spaces

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**Appendix B: Motor Vehicle Insurance Agent Insurance Binder Cancellation Form**